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## Brazil

## Biotechnology

## Senate Passage of Biosafety Bill

## 2004

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**Report Highlights:**

Following months of debate and delay, the Brazilian Senate resoundingly approved a national Biosafety bill on October 6, 2004. The bill is designed to regulate biotechnology activities and research, including agricultural crops as well as stem cell research. The bill now heads back to the House which approved a more restrictive version of a Biosafety bill in February 2004. The draft legislation approved by the Senate is different from the original text approved by the House and is considered more biotech and producer friendly. Because it is likely to take at least a few more months for the House to formally consider the Senate's version and subsequently vote and send to the President for signature, President Lula is likely to issue yet another Provisional Measure allowing planting and commercialization of the 2004/05 soybean crop.

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Includes PSD Changes: No  
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Unscheduled Report  
Brasilia [BR1]  
[BR]

Following months of debate and delay, the Brazilian Senate passed its version of a national Biosafety bill on October 6, 2004. The bill is designed to regulate biotechnology activities and research, including agricultural crops as well as stem cell research. The bill now heads back to the Congress for floor vote with the earliest action possible in November. The bill approved by the Senate yesterday is different from the original text approved by the Brazilian Congress's lower house and is considered more biotech and producer friendly.

The version of the bill overwhelmingly passed (53 in favor and 2 opposed) by the Senate yesterday allows for both planting of biotech soybean seeds, which are registered with the Ministry of Environment, as well as seeds illegally imported which are not registered. The soybeans from these unregistered seeds can be sold as grain but not as seed. Furthermore, an amendment was added that prohibits the commercialization of "terminator" or sterile seeds. The text also requires that food and food ingredients destined for human consumption be labeled as containing GMO's. The Bill reduces the authority of the Ministry of Environment while increasing the role of the National Technical Commission on Biosafety (CTNBio) by giving CTNBio the power to deliberate on research and marketing. The draft legislation originally passed by the House withdrew some of this authority as it did not allow CTNBio to decide on commercialization.

CTNBio is considered by many to be a reasonable and scientific group formed by 27 specialists and linked to the Ministry of Science and Technology. The bill does not give CTNBio the power that farmer organizations hoped and for which they lobbied vigorously. Specifically, when major points of contention arise between CTNBio and other government agencies, most likely Environment and/or Sanitary Vigilance (a Ministry of Health agency), a newly-formed National Biosafety Council (CNBS) will intervene. CNBS is considered somewhat politically driven being attached to the Presidency and formed by 11 cabinet ministers. It will receive the case within 30 days of the disagreement and have a further 45 days to make a final decision. Furthermore, the bill alters the composition of CTNBio by including participation of government representatives. Nevertheless, producers generally support the legislation, as it does not include many of the obstacles to biotech research that were included in the version approved by the House.

The bill now heads back to the House, which can not alter the Senate's version of the draft legislation. If the Senate's version is not approved, the House's bill passed in February becomes valid. It should be noted that the House's version withdrew the power of CTNBio to approve commercialization of transgenic crops. A vote is not expected until November, at the earliest, due to 18 urgent provisional measures that currently face the House. Due to resistance from religious groups over stem-cell research, some believe that finalized legislation may not even be voted on this year.

Soybean planting is underway with 10 percent of the crop planted in the state of Rio Grande do Sul and with producers reporting they are planting and will continue to plant biotech soybeans with or without a provisional measure. The use of biotech seed reduces producers costs by about US\$50 per hectare and about 88 percent of the Rio Grande do Sul's crop is planted with biotech seed. Therefore, President Lula is facing increasing pressure to issue a provisional measure acknowledging this fait accompli and allowing for soybean planting and commercialization for the 2004/05 crop. Provisional measures have been issued the past two crop seasons and Agricultural Minister Roberto Rodrigues has guaranteed that the government will not leave producers in legal limbo. On the other hand, Environment Minister Marina Silva is vigorously opposed to a provisional measure, being the most outspoken critic of biotechnology. The President has tried to please both Ministers and now that the Senate has passed its version of the bill and taken some of the pressure off him, it would appear that a provisional measure (PM) could be issued shortly.

The President's office is faced with the choice of issuing a PM based on the Senate's draft legislation or composing a separate measure. It would appear likely that a measure only approving soybean planting will be issued, thus not addressing the more controversial question of stem-cell research. However, another option being discussed is including the issue of biotech soybean planting in PM 192, which has been in the House since August. This PM deals with government purchases of private productive land to be redistributed as part of an agrarian reform plan. The measure has been under debate because some congressmen want the text changed to prohibit government purchase of land that has been invaded by the landless movement. Many invasions occur as a way to force the government to purchase and redistribute certain tracks of land. Including biotech soybean planting in this controversial PM is seen as a way for the President to force Congress to pass the bill, since there is significant political pressure to liberate biotech soybean plantings.